

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
OPERATING PERMIT TECHNICAL REVIEW DOCUMENT**

**Permitting and Compliance Division
1520 E. Sixth Avenue
P.O. Box 200901
Helena, Montana 59620-0901**

Graymont Western U.S., Inc. – Indian Creek Facility
Quarry: Section 33, Township 7 North, Range 1 East
Lime Manufacturing Facility: Section 28 (SW¼), Township 7 North, Range 1 East
Railroad Load-Out Facility: Section 25, Township 7 North, Range 1 East
P.O. Box 550
Townsend, MT 59644

The following table summarizes the air quality program testing, monitoring, and reporting requirements applicable to this facility.

Facility Compliance Requirements	Yes	No	Comments
Source Tests Required	X		Method 5, 6, 6A-C, 7, 7A-E, 9, 10, 10A-b, visual survey
Ambient Monitoring Required		X	
CEMS Required	X		Opacity CEMS
Schedule of Compliance Required		X	
Annual Compliance Certification and Semiannual Reporting Required	X		
Monthly Reporting Required		X	
Quarterly Reporting Required	X		CEM Inspection and Audit
Applicable Air Quality Programs			
ARM Subchapter 7 Preconstruction Permitting	X		Permit #1554-15
New Source Performance Standards (NSPS)	X		40 CFR 60, Subpart Y, Subpart HH, Subpart OOO
National Emission Standards for Hazardous Air Pollutants (NESHAPS)		X	Except Subpart M
Maximum Achievable Control Technology (MACT)		X	
Major New Source Review (NSR) Prevention of Significant Deterioration (PSD)	X		Permit #1554-13
Risk Management Plan Required (RMP)		X	
Acid Rain Title IV		X	
State Implementation Plan (SIP)	X		General SIP

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SECTION1. GENERAL INFORMATION

A. Purpose

This document establishes the basis for the decisions made regarding the applicable requirements, monitoring plan, and compliance status of emission units affected by the operating permit proposed for this facility. The document is intended for reference during review of the proposed permit by the EPA and the public. It is also intended to provide background information not included in the operating permit and to document issues that may become important during modifications or renewals of the permit. Conclusions in this document are based on information provided in the original application submitted by Continental Lime Incorporated (CLI), predecessor to Graymont Western U.S., Inc., (Graymont), on June 29, 1995, an additional submittal on October 9, 1998, and additional submittals by Graymont on April 11, 2000, August 13, 2001, and May 6, 2004.

B. Facility Location

A limestone quarry, lime manufacturing facility, and railroad loadout facility located in Broadwater County, Montana. The limestone quarry and lime manufacturing plant are located approximately 4 miles west of Townsend on Indian Creek Road. The quarry is located in Section 33, Township 7 North, Range 1 East and the lime manufacturing facility is located in Section 28, Township 7 North, Range 1 East. The railroad loadout facility is located 1 mile north of Townsend in Section 25, Township 7 North, Range 1 East.

C. Facility Background Information

Montana Air Quality Permit History

The original air quality **Permit #1554** was issued to CLI for a limestone quarry and lime manufacturing facility from the Montana Department of Health and Environmental Sciences on June 15, 1981.

On August 27, 1982, the United States Environmental Protection Agency (EPA) Region VIII issued a permit to CLI under the requirements of 40 CFR 52.21, Significant Deterioration of Air Quality. The permit was for the construction and operation of the lime manufacturing facility, including the #1 Lime Kiln.

The first change was given **Permit #1554A** and was modified on May 1, 1985, to update the permit to comply with the applicable New Source Performance Standards and to remove the ambient monitoring requirement.

The second change was given **Permit #1554A-2** and was issued April 13, 1990. The alteration consisted of the addition of a second rotary lime kiln capable of producing 500 tons per day of quicklime (CaO). The application also included the necessary ancillary equipment to support the kiln, such as lime handling, lime loadout and coal handling systems. The operating capacity of the existing quarry, crusher and conveying systems was sufficient to handle the increase in lime production with only an increase in operating hours. The maximum rated capacity of the crusher is estimated at 1,481,331 tons per year.

The alteration was a "major modification" according to the Prevention of Significant Deterioration (PSD) rules. Therefore, CLI was required to meet the PSD permitting requirements. The PSD rules required submittal of 1 year of PM-10 pre-monitoring data. CLI submitted 4 months of PM-10 monitoring data and requested that the Department accept this amount of monitoring data as adequate. CLI submitted a statistical analysis of previously submitted TSP data and demonstrated, to the satisfaction of the Department, that the 4 months of PM-10 data would provide a complete and adequate analysis. The permit application #1554A-2 was deemed complete on February 12, 1990.

The third change was given **Permit #1554-03** and was issued on July 16, 1993. The modification was requested to allow CLI an opportunity to conduct temporary burning of coke and coal mixtures in the two kilns at the Indian Creek plant.

During the temporary burning of coke and coal mixtures, CLI was required to meet their existing permit conditions, as well as additional reporting and tracking requirements outlined in Section II.G of Permit Modification #1554-03.

During all temporary burning, CLI was required to maintain compliance with the sulfur-in-fuel rule. The temporary burning was allowed for 18 weeks and had to be completed no later than December 3, 1993. CLI is required to submit a permit application to request any permanent change for the burning of coke.

The fourth change to the permit, given **Permit #1554-04**, was issued on August 27, 1993, for the construction and installation of a lime hydrator at the Indian Creek plant. The hydrator will convert quicklime to hydrated lime. The lime hydrator is located at the product end of the plant. The hydrator process takes lime (as calcium oxide) and adds water and/or steam to form calcium hydroxide or hydrated lime.

The lime hydrator operates at full production only when the demand for hydrated lime is great enough. The demand was expected to be greatest from June through September. During this seasonal period, production was expected to be up to 24 hours per day, 7 days per week. During the non-seasonal market periods, operation was expected to be one shift, 5 days per week.

The lime hydrator was designed to produce 15 tons per hour of hydrated lime. The lime hydrator will be controlled by a wet scrubber to control product losses and keep the process under negative pressure. The process uses the spent scrubbing liquid for its water feed; therefore, no sludge handling or removal is required. The handling of quicklime and hydrated lime is controlled using bin vent fabric filter dust collectors.

CLI submitted another permit application on April 15, 1994, for the addition of a NO_x limit for the #2 Kiln. The application was given **Permit #1554-05**. This application was withdrawn by the company and, therefore, Permit #1554-05 was not issued.

Permit Alteration #1554-06 was issued on March 20, 1996, to do the following:

1. Increase the allowable sulfur limit for the coal used to fire the kilns. The sulfur limit was increased from the previously allowable 0.6% by weight to 1.0 lb/MMBtu. This allowed CLI greater flexibility in selecting coal suppliers.
2. Allow CLI to use syncoal to fire the kilns.
3. Establish emission limits for nitrogen oxides (NO_x), sulfur dioxide (SO₂), and carbon monoxide (CO) for the #2 Lime Kiln.
4. Increase the SO₂ emission limits for the #1 Lime Kiln. The permit also increased the CO limit and decreased the NO_x limit for the #1 Lime Kiln to be consistent with the limits for the #2 Lime Kiln. The changes in the CO and NO_x limits were based on BACT and stack tests at the facility. The increase in the SO₂ limit was based on the increased allowable sulfur-in-fuel.

5. This permitting action also changed the units of the particulate emission limit for the lime hydrator in Section II.B.8.a of Permit #1554-05 from lb/ton of lime hydrate to lb/hour. The new particulate limit (1.5 lb/hr) was derived by multiplying the old emission limit of 0.10 lb/ton of lime hydrate by the production capacity of 15 tons of lime hydrate per hour.

The net increases of NO_x, SO₂ and CO were greater than the PSD significance levels, and the permit was subject to the requirements of the PSD program. This application fulfilled the PSD review requirements for both lime kilns and, therefore, the permit replaced EPA's PSD permit that was issued for the #1 Lime Kiln on August 27, 1982, as well as the state Permit #1554-04.

A detailed description of this permitting action is contained in the analysis of Permit #1554-06.

On April 22, 1996, CLI submitted a complete application for **Permit #1554-07** to increase the particulate emission limit for the lime hydrator at the facility. The unit's design incorporates a wet scrubber, which was not able to perform as well as originally expected. CLI proposed that the emission limit be increased from 1.5 lb/hr to 3.0 lb/hr. The proposal would increase the allowable PM₁₀ emissions from the facility by 4.2 tons/year. This permit also authorized the extension of the hydrator stack to 94 feet. Modeling performed on the hydrator emissions had shown there would not be a significant impact on the local air quality.

Because the hydrator had not yet been tested to demonstrate compliance with the particulate emission limits established during the original permitting action (Permit #1554-04), emission changes authorized by this action were considered part of the original permitting action to determine PSD applicability. If permitted for unlimited hours of operation, the potential to emit of the hydrator facility would exceed the PSD significant level of 15 tons/year of PM₁₀. This permitting action established a limit of 7400 hours of operation per year on the lime hydrator. This limit brought the potential-to-emit for the entire hydrator unit to less than 15 tons/year of PM₁₀ and the hydrator was not subject to the requirements of the PSD program.

On March 23, 1997, CLI was issued **Permit #1554-08**, which was a modification of their existing permit to allow for a test burn using petroleum coke at the facility. This allowed CLI to conduct the test burn using 744 tons of petroleum coke. The test burn had to be completed by October 1, 1997. The emissions from this test burn did not exceed 15 tons of SO₂; therefore, this test burn was completed according to ARM 17.8.705(1)(q). However, as described in ARM 17.8.733(1)(c), the permit did need to be modified to allow the temporary burning of the petroleum coke. CLI was still required to comply with their existing SO₂ emission limitation and with the sulfur-in-fuel requirements contained in ARM 17.8.322(6)(c). Some of the equipment installed as a result of this test burn was a coke lump breaker and some conveying equipment. This equipment was retained by the facility to be used when the permanent use of coke is approved.

On June 20, 1997, CLI was issued **Permit #1554-09** to use petroleum coke as fuel for the kilns at the plant. This resulted in a significant increase in the allowable SO₂ emissions from the kilns. The significant increase in SO₂ required that a PSD review be conducted for SO₂ by the Department for this permit. There was also a slight increase in the amount of PM-10 emissions generated from the facility by the installation of some additional fuel handling equipment for the coke fuel for this project. The increase in PM-10 emissions did not exceed PSD significance levels for this pollutant. Allowable emissions of NO_x and CO did not increase as a result of this permitting action.

Along with the request to use petroleum coke in the kilns, CLI also proposed to install additional limestone processing equipment near the existing crusher at the limestone quarry. This limestone processing operation would allow CLI to screen larger pieces of limestone as a product. This proposal was a separate project from the use of petroleum coke in the kilns, but was incorporated into the

permitting action. The only emissions from the limestone processing proposal were particulate emissions. The amount of particulate emissions generated from the limestone proposal did not exceed PSD significant levels by themselves, or when added to the amount of particulate emissions generated from the proposed petroleum coke project.

The proposed equipment covered by this permitting action is as follows:

1. Coke/coal blending system consisting of a lump breaker, two hoppers, and conveying equipment; and
2. Limestone processing equipment consisting of a screen (S2) and three new conveyors (C6, C7, and C9).

As part of this permitting action, the Department also updated the permit to reflect that CLI completed a source test on the kilns in 1995 to demonstrate compliance with the particulate limit of 0.50 lb/ton of limestone feed. The air quality permit had required CLI to install a device capable of measuring the mass rate of stone feed to the kilns. Because of the design and configuration of CLI's facility, it was impossible for the measuring device to be installed prior to the kilns; however, the device was installed after the kilns to measure the amount of lime produced from the kilns. This device was used during the required source test to determine compliance with the kiln's particulate limit. The Department accepted this configuration and the corresponding permit condition was revised to reflect the current configuration of the measuring device.

On May 9, 1997, CLI requested that the Department delay the issuance of the Department Decision on Permit #1554-09 to allow for the completion of a source test on Kiln #1. This delay was not a problem because the Department decision would still be issued in compliance with the statutorily mandated time frames. This source test was required by Permit #1554-08 and it would be extremely awkward to issue Permit #1554-09, because a new emission limit would be in effect while a source test was conducted to demonstrate compliance with an older emission limit. CLI conducted the source test on Kiln #1 on May 13, 1997, and demonstrated compliance with the applicable NO_x, SO₂, and CO emission limits. Kiln #2 never did burn petroleum coke during the test burn; therefore, Kiln #2 was not required to be tested during the test burn. The petroleum coke test burn was completed and all references to the test burn in the permit were removed from the permit.

On September 18, 1997, the Department received a request from CLI to modify Permit #1554-09. **Permit #1554-10** removed the requirement for CLI to send the lime kiln dust through a pugmill prior to transportation for on-site disposal. This was necessary because the pugmill was not very effective for controlling emissions and the added water reduced the quality of the lime kiln dust so it could not be readily sold as a product. Instead of operating the pugmill, CLI would be required to comply with the following conditions whenever lime kiln dust is loaded into trucks. These requirements would actually result in a decrease in emissions from more effective control of the handling of lime kiln dust while maintaining the product quality.

1. CLI shall provide a partial enclosure of the lime kiln dust silo (T-89) and surge bin loadout area (N-280) by installing wind guards on the sides of the silo and surge bin.
2. CLI shall unload from the lime kiln dust silo (T-89) and the surge bin (N-280) to the trucks using a telescopic system that has partial air return through an existing baghouse.
3. All trucks hauling lime kiln dust must be covered.
4. CLI shall provide for water to be applied at the storage site when it is necessary to meet the reasonable precaution requirements of ARM 17.8.308(1).

Because there was not an increase in emissions, the proposal was completed according to ARM 17.8.705(1)(q). However, as described in ARM 17.8.733(1)(c), the permit did not need to be modified to allow CLI to replace the pugmill with the above-mentioned requirements.

On December 31, 1998, **Permit #1554-11** was issued to CLI, which removed the requirement for CLI to operate ambient PM-10 monitors at their facility. This action was conducted in accordance with the October 9, 1998, guideline developed by the Department and the requirements of Attachment 1 were removed from CLI's permit. The ambient monitoring requirements can be reinstated in the future if the Department determines it is necessary.

This permitting action also added some miscellaneous equipment to the list of permitted equipment in the permit analysis. The equipment included a roll crusher, conveyors, and feeders added for the fuel-blending project. This project could have been conducted without a permit, pursuant to ARM 17.8.705(1)(r); however, the equipment is being added to the permitted equipment list to avoid any future confusion over these emission sources.

On September 12, 1999, CLI was issued an alteration to Permit #1554-11 allowing CLI to replace the existing 700-hp DC fan motor on Kiln #1 with a 900-hp AC motor. The new motor allowed CLI to increase the RPM on the fan, which allowed more air to be pulled through the system. This could result in an increase in emissions. However, the new fan was limited by permit to 1750 RPM, which is the maximum RPM the existing motor could achieve. CLI was required to record the fan motor RPM from their computerized system to demonstrate compliance with this condition. Because of the RPM restriction, there was not an increase in potential emissions as a result of the permitting action. **Permit #1554-12** replaced Permit #1554-11.

On August 30, 2000, CLI submitted a complete permit application for the alteration of permit #1554-12. Under this permit action, CLI proposed the following changes:

- A facility name change from Continental Lime, Inc., - Indian Creek Facility, to Graymont Western U.S., Inc., - Indian Creek Facility.
- Increasing the horsepower on the rotary Lime Kiln #2 I.D. fan motor from 700 hp to 900 hp and restricting the allowable rpm for the motor to 1750 rpm.
- Increasing the NO_x emission limit/rate from 77.5 lb/hr to 100 lb/hr for rotary Lime Kiln #1 and rotary Lime Kiln #2.

Graymont requested the increase in horsepower on the rotary Lime Kiln #2 I.D. fan motor from 700 hp to 900 hp for the purpose of operational flexibility and reliability of equipment. Because Graymont proposed a 1750-rpm restriction for the 900-hp rotary Lime Kiln #2 I.D. fan motor, the proposed motor change would not increase potential air flow through the kiln and thus would not increase kiln production capacity. The proposed rpm restriction is identical to the existing restriction placed on the smaller motor for rotary Lime Kiln #1.

Because the above proposed changes would not increase production capacity, this permit action would not result in a significant net increase in emissions of PM₁₀, SO₂, VOC, and CO as defined under the New Source Review Prevention of Significant Deterioration (PSD) program. However, Graymont was proposing an increase in allowable NO_x emissions from 77.5 lb/hr/kiln to 100 lb/hr/kiln. The proposed changes would increase Graymont's potential NO_x emissions by 197.10 tons per year, resulting in a significant net emission increase.

Graymont is a major source of emissions and is located in an area considered either attainment or unclassified for NO_x. Therefore, because the proposed changes would result in a potential NO_x emission increase of greater than 40 tons per year (PSD significance level for NO_x), the proposed changes

constituted a major modification and this permit action required a PSD review. In accordance with the PSD regulations, Graymont was required, among other things, to demonstrate compliance with National Ambient Air Quality Standards (NAAQS), Montana Ambient Air Quality Standards (MAAQS), and the PSD NO_x increment of 2.5 ug/m³. In addition, the PSD regulations required that Graymont analyze the cumulative NO_x impact from the existing plant and surrounding sources of NO_x emissions.

Graymont demonstrated compliance with the PSD NO_x increment by modeling NO_x emission impacts for the existing plant, the proposed changes to the plant, and surrounding sources of additional NO_x emissions. The modeling exercise demonstrated, to the satisfaction of the Department, that the proposed change would not violate the NAAQS or MAAQS and did not consume the available NO_x increment.

A complete copy of the Graymont PSD application, including all applicable modeling and modeling results, is on file with the Department. Permit **#1554-13** replaced permit #1554-12.

On January 29, 2001, the Department received a de minimis determination request from Graymont. For the purpose of improving silo ventilation, Graymont proposed the installation and operation of a second silo vent on the existing syncoal silo #T-290. Graymont proposed that particulate emissions from the proposed vent be controlled by a 1000-acfm fabric filter baghouse. However, because potential uncontrolled emissions from the proposed vent were less than the de minimis threshold of 15 ton/yr, the Department determined that the current permit action could be accomplished under the provisions of the ARM 17.8.705(1)(r). Calculations demonstrating compliance with the ARM 17.8.705(1)(r) are contained in Section III.H of the permit analysis. **Permit #1554-14** replaced Permit #1554-13.

On May 22, 2002, the Department received a permit modification request from Graymont. The proposed permit change involved modification of the existing lime kiln dust (LKD) unloading operations to achieve compliance with the condition in Section II.A.23. of Graymont's preconstruction permit and Section III.D.16. of Graymont's operating permit. The existing condition required that Graymont utilize telescoping spouts with partial air return to an existing baghouse for the control of particulate emissions from LKD unloading operations at the facility. While existing LKD unloading operations did utilize telescoping spouts, Graymont did not incorporate partial air return through a baghouse to control particulate emissions from LKD unloading operations, as required by permit. The proposed action required a BACT analysis.

Under the permit modification, Graymont proposed to remove the existing Aeropulse baghouse equipped with a 900 cubic feet per minute (cfm) fan from the coal/coke/syncoal silo (T-290) and re-install the baghouse with associated inlet header and ductwork, on the South #1 Kiln Cyclone Silo to achieve compliance with the previously cited condition(s). Silo T-290 utilized two baghouses, a 1000 cfm Micropul baghouse, permitted under Permit #1554-14, and the previously described 900 cfm Aeropulse baghouse. Fuel loading operations at silo T-290 do not require the use of both baghouses and the existing 1000 cfm Micropul baghouse is sufficient to effectively control particulate emissions from fuel transfer operations to the silo. Installation and operation of the 900 cfm Aeropulse baghouse brought Graymont into compliance with the previously cited permitted requirements.

Further, on May 31, 2002, the Department received a second request for permit modification under ARM 17.8.705(1)(r)(i). In the second modification request, Graymont proposed the use of on-specification used oil to fire the rotary lime kilns at the facility. Subsequently, on July 18, 2002, the Department received notification from Graymont that the proposal to fire the kilns with on-specification used oil was withdrawn. **Permit #1554-15** replaced Permit #1554-14.

Title V Operating Permit History

On June 11, 2001, Graymont was issued final and effective **Operating Permit #OP1554-00** for the Indian Creek facility.

On August 13, 2001, the Department received a request, from Graymont, for an administrative amendment to air quality Operating Permit #OP1554-00. Graymont requested that the Department modify Section V.B.2 to indicate the proper semi-annual report due date as February 28 rather than January 31. The Department concurred that the appropriate semi-annual report due date is February 28th and the permit was modified accordingly. In addition, Graymont requested that the Department incorporate weekly visual inspection requirements into Section III.F (Hydrated Lime Product Operations). Because Section III.F already included Method 9 source testing, as required by the Department, for Hydrated Lime Product Operations, the Department did not include this requirement under the permit action. **Operating Permit #OP1554-01** replaced Operating Permit #OP1554-00.

D. Current Permit Action

On May 6, 2004, the Department received notification from Graymont of a change in responsible official from Herb Herman, Vice President of U.S. Manufacturing, to Elton Chorney, Plant Manager. The current permit action updates the permit to indicate this change. **Operating Permit #OP1554-02** replaces Operating Permit #OP1554-01.

E. Taking and Damaging Analysis

HB 311, the Montana Private Property Assessment Act, requires analysis of every proposed state agency administrative rule, policy, permit condition or permit denial, pertaining to an environmental matter, to determine whether the state action constitutes a taking or damaging of private real property that requires compensation under the Montana or U.S. Constitution. As part of issuing an operating permit, the Department of Environmental Quality (Department) is required to complete a Taking and Damaging Checklist. As required by 2-10-101 through 105, MCA, the Department has conducted a private property taking and damaging assessment and has determined there are no taking or damaging implications. The checklist was completed on August 9, 2004.

F. Compliance Designation

Graymont was last inspected on October 28, 2003, and was found to be in compliance with all applicable requirements.

SECTION II. SUMMARY OF EMISSION UNITS

A. Facility Process Description

Graymont's existing limestone quarry, lime manufacturing plant, and proposed additions are located in Broadwater County, Montana, approximately 4.5 miles west of Townsend on Indian Creek Road. The quarry is located in Section 33, Township 7 North, Range 1 East, and the lime manufacturing facility is located in Section 28, Township 7 North, Range 1 East. A railroad loadout facility is located 1 mile north of Townsend in Section 25, Township 7 North, Range 1 East. The nearest PSD Class I area is the Gates of the Mountains Wilderness, approximately 28 miles north of Graymont's existing Indian Creek plant. Graymont is approximately 130 kilometers from Yellowstone National Park. A more detailed site description is contained in permit application #1554A-2.

The primary raw material for the lime manufacturing process is limestone. The limestone for this plant is obtained from the quarry located about 1 mile south of the plant area.

The process of obtaining limestone first begins with drilling and blasting. The blasted limestone is loaded into trucks using a front-end loader. The broken material is transported by truck to a hopper and from there it is crushed and screened. The screened limestone is then conveyed to storage piles using a long conveying system. From the storage piles, the limestone passes over a screen and is then conveyed into the two kiln preheaters.

The preheaters, located above the kilns, are used to preheat the limestone and to control the feed rate to the kiln. The stone that is added to the kilns is subjected to heat and a gentle tumbling action.

As the limestone "falls" down through the kiln, the temperature increases as it gets closer to the flame. This heating action converts the limestone (CaCO_3) to lime (CaO) and carbon dioxide (CO_2).

Once the lime reaches the end of the kiln, it is cooled and crushed to its final size. The lime is conveyed to one of several possible lime storage silos. Some of the lime will be processed through the lime hydrator to produce hydrated lime. The product lime is then loaded into trucks for transport to various markets.

The product lime is loaded into standard over-the-road covered trucks. These trucks are able to haul approximately 35 tons of lime. The loading occurs at the new and existing lime loadout facilities. The trucks proceed down an unpaved road until they reach Highway 12 and/or the railroad loadout facility. The rail loadout facility is located about 150 meters from the highway. The unpaved road is watered and treated with chemical suppressant (usually MgCl_2).

B. Emission Units and Pollution Control Device Identification

Graymont's facility consists of the following equipment:

1. Quarry/Crusher
 - a. Hewitt-Robins 52" x 16' style VL-9 vibrating stone feeder with grizzly and 30-hp motor
 - b. Hewitt-Robins #4866 impact crusher with single rotor and 300-hp motor
 - c. Hewitt-Robins 8' x 20' three-deck screen with 40-hp motor
 - d. Conveying system (crusher to reject pile)
 - e. Conveying system (crusher to radial stacker)
 - f. Baghouse to collect emissions from the crusher operation and truck unloading

2. Lime Process Plant

- a. Two 11-ram preheaters with 26' diameters.
- b. Kiln #1 - 12' diameter x 150' length - refractory lined, powered by a 100-hp motor. Includes I.D. fan powered by a 900-hp motor.
- c. Kiln #2 - 12' diameter x 150' length - refractory lined, powered by a 150-hp motor. Includes I.D. fan powered by a 900-hp motor.
- d. Two contact coolers 9' 9" square with 150-hp cooling fans and 4 vibrating lime discharge feeders.
- e. Two Raymond bowl coal mills (#553A) with 150-hp motors.
- f. Two 6' diameter cyclones (62,000 ACFM at 580°F) at the end of each of the two kilns (total of 4 cyclones). The discharge passes to the baghouses described below.
- g. Micropul Model 360STRH-10-20 baghouse, 75,000 ACFM at 470°F with approximately 17,000 ft and an air-to-cloth ratio of 4.4:1. The baghouse is used for kiln emissions exhaust.
- h. Aeropulse baghouse, model #4-PR-340-10-H-WP-Y, with 75,000 ACFM at 470°F with approximately 17,000 ft² and an air-to-cloth ratio of 4.4:1. The baghouse is used for kiln emission exhaust.
- i. Micropul baghouse, model 144 STD-10, for lime plant housekeeping with a nominal flow rate of 10,000 ACFM, 1696 ft² of filter area and an air-to-cloth ratio of 5.9:1.
- j. Aeropulse baghouse, model #PR-225-10-H-N, for lime plant housekeeping with a nominal flow rate of 15,000 ACFM, 2723 ft² of filter area and an air-to-cloth ratio of 5.5:1.
- k. Micropul baghouse, model No. 8-B, for coal loading into the coal silo; 400 ACFM with 84 ft² and an air-to-cloth ratio of 4.7:1.
- l. Aeropulse baghouse, model #SB-9-10 Power Pulse, for coal loading into the coal silo; 400 ACFM with 84 ft² and an air-to-cloth ratio of 4.7:1 and a Micro-Pulsaire-Type 365-10-308, serial #91014841, dust silo vent system.
- m. Baghouse to collect emissions from the stone dressing screens and conveying.
- n. Twenty-ton capacity surge bin (N1100) with a bin vent fabric filter manufactured by Aeropulse, Model SB-16-10-N; 620-cfm capacity.
- o. Premixer.
- p. Lime hydrator manufactured by Cimprogetti, Model CIM-HYDRAX, Size 800 (or equivalent). Particulate emissions are controlled by use of a wet scrubber, which is an integral part of the hydrator. The capacity of the hydrator is 15 tons of lime hydrate per hour.
- q. Bucket conveyor, oversize pulverizer and hydrate storage silo controlled with a 6,000-cfm baghouse manufactured by Aeropulse, Model PR-90-10-H-Y.

- r. Hydrated lime truck loadout consisting of a screw/bucket elevator, which discharges to a spout, controlled by a 1,000-cfm filter module manufactured by DCL, Model FS-140 (or equivalent).
- s. Limestone processing equipment consisting of a screen (S2) and three new conveyors (C6, C7, and C9).

3. Auxiliary Equipment

- a. Front-end loaders, trucks, graders, scrapers, dozers, mobile power facilities, storage and housing, etc.
- b. Roll crusher (200 tph), rotary valve, slide gates (4), screw conveyors (2), and weigh feeders (2) for use in the fuel blending facility.
- c. Coke/coal blending system consisting of a lump breaker, two hoppers, and conveying equipment.

The following table lists the emitting units regulated by Permit #OP1554-00. These sources are considered significant sources of emissions at the Graymont facility (ARM 17.8.1211).

Emission Unit ID	Description	Pollution Control Device/Practice
EU001	Quarry Blasting	Work Practices
EU002	Quarry Drilling	Water and/or Baghouse
EU003	Wind Erosion - Stockpiles	Water
EU004	Fugitive Emissions – Disturbed Areas	Water and/or Chemical Dust Suppressant and/or Re-Vegetation, Coverings
EU005	Fugitive Emissions – Haul Roads	Water and/or Chemical Dust Suppressant
EU006	Limestone Dumping and Primary Crushing	Water and Baghouse
EU007	Limestone Screening - Quarry	Water and/or Baghouse
EU008	Raw Material Transfer and Stacker	Water
EU009	Limestone Dressing, Screening and Conveying	Water and/or Baghouse
EU010	Sugar Stone Screen and Associated Equipment	Water
EU011	Lime Kiln #1	Baghouse
EU012	Lime Kiln #2	Baghouse
EU013	Kiln Dust Storage (baghouse) and Handling	Baghouse
EU014	Lime Crushing, Screening and Transfer	Baghouse
EU015	Lime Product Load-out	Baghouse
EU016	Railroad Lime Loadout	Baghouse
EU017	Railroad Unload	Baghouse
EU018	Lime Hydrator Surge Bin	Baghouse
EU019	Lime Hydrator	Baghouse
EU020	Hydrated Lime Pulverizing, Storage, and Transfer	Baghouse
EU021	Hydrated Lime Load-out	Baghouse
EU022	Coal Unloading Handling and Storage	Baghouse (on storage)
EU023	Coal, Syncoal, Petroleum Coke Handling and Blending	Baghouse
EU024	Coal, Syncoal, Petroleum Coke Crushing and Handling	Baghouse
EU025	Fuel Use – Diesel Fuel	None
EU026	Fuel Use – Gasoline	None

C. Categorically Insignificant Sources/Activities

The following table of insignificant sources and/or activities were provided by Graymont to assist in understanding the facility's layout. Because there are no requirements to update such a list, the emission units and/or activities may change from those specified in the table.

Emission Unit ID	Description
IEU001	Limestone Removal / Loading
IEU002	Waste (fines) Removal and Loading
IEU003	Removal to Dressing Screen Stockpile
IEU004	Fuel Storage Tanks
IEU005	Diesel Garage Heaters
IEU006	Core Bin/Bunker Loadout

In addition to the insignificant sources listed in the table above, Graymont requested that the following sources be considered insignificant: Quarry Drilling; Raw Material Transfer and Stacker; Fugitive Emissions – Disturbed Areas; Lime Kiln Dust Disposal; and Coke Handling and Blending. These sources will not be considered insignificant sources because they meet the criteria set for significant sources of emissions (ARM 17.8.1201(22)(a)).

SECTION III. PERMIT CONDITIONS

A. Emission Limits and Standards

The Department has determined that the emission limits that apply to EU001, EU002, EU003, EU004, EU005 – Quarry Blasting; Quarry Drilling; Wind Erosion – Stockpiles; Fugitive Emissions – Disturbed Areas; Fugitive Emissions – Haul Roads are as follows: The particulate matter limit is established using the particulate matter calculation for new equipment (ARM 17.8.309). Opacity is limited to 20%. All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU006, EU007, EU008, EU009, EU010 – Limestone Dumping and Primary Crushing, Limestone Screening, Raw Material Transfer and Stacker, and Limestone Dressing, Screening and Conveying; Sugar Stone Screen and Associated Equipment are as follows: The particulate matter limit is established using the particulate calculation for new equipment (ARM 17.8.309). The Sugar Stone Screen and associated equipment are limited to 10% opacity as applicable in 40 CFR Subpart OOO. For all other emitting units under this category the opacity is limited to 20%. All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU011, EU012, EU013 – Lime Kiln #1, Lime Kiln #2, and Kiln Dust Storage (baghouse and silo) and Handling are as follows: The particulate matter limit for the rotary lime kilns is 0.5 lb/ton of lime produced. The opacity limit that applies to the baghouses controlling the rotary lime kilns is 15%. The opacity limit applicable to all associated sources excluding the baghouse stacks, as previously discussed, is 20% established through reasonable precautions (ARM 17.8.308). The NO_x limit that applies to the rotary lime kilns is 100 lb/hr. The SO₂ limit applicable to rotary lime kilns is 63.5 lb/hr. The CO limit that applies to the rotary lime kilns is 131 lb/hr. The VOC limit applicable to the rotary lime kilns is 1.25 lb/hr. All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU014, EU015, EU016, EU017 – Lime Product Crushing, Screening and Transfer, Lime Product Load-out, Railroad Lime Load-out, Railroad Un-Load are as follows: The particulate matter emissions from the lime baghouse are limited to 0.0027 lb/ton of lime produced. The opacity limit applicable to the lime baghouse is 20%. The opacity limit applicable to all associated lime product sources excluding the baghouse stack, as previously discussed, is 20% established through reasonable precautions (ARM 17.8.308). All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU018, EU019, EU020, EU021 – Lime Hydrator Surge Bin; Lime Hydrator; Hydrated Lime Pulverizing, Storage and Transfer; and Hydrated Lime Load-out are as follows: Particulate matter emissions from the lime hydrator are limited to 3 lb/hr of operation (ARM 17.8.715). Particulate emissions from the lime handling bin vent (controlling the surge bin); the hydrated lime product handling dust collector (controlling the bucket conveyor, oversize pulverizer, and hydrate storage silo); and the truck loading filter module (controlling the hydrated lime truck load-out) are limited to 0.020 gr/dscf (ARM 17.8.715). The opacity limit applicable to the lime hydrator; the lime handling bin vent (controlling the surge bin); the hydrated lime product handling dust collector (controlling the bucket conveyor, oversize pulverizer, and hydrate storage silo); and the truck loading filter module (controlling the hydrated lime truck load-out) is 15% (ARM 17.8.715). The opacity limit applicable to all other associated hydrated lime product sources, excluding those sources previously discussed, is 20% established through reasonable precautions (ARM 17.8.308). All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU022, EU023, EU024 – Coal Unloading, Handling, and Storage; Coal, Syncoal, and Petroleum Coke Handling and Blending; and Coal, Syncoal, and Petroleum Coke Crushing and Handling are as follows: Particulate emissions from the coal baghouse (Micropul, Model 8-B, 400 acfm) are limited to 0.0001 lb/ton coal fired. The opacity limit applicable to all associated sources is limited to 20% established through BACT determinations (ARM 17.8.715), applicable Federal requirements (40 CFR 60, Subpart Y), and reasonable precautions (ARM 17.8.308). All previously listed emission limits have been established through preconstruction Permit #1554-13.

The Department has determined that the emission limits that apply to EU025, EU026 – Diesel Fuel Use, Gasoline Fuel Use are as follows: The particulate matter limit is established using the particulate matter calculation for new equipment (ARM 17.8.309). The opacity limit applicable to all affected sources is 20% established through BACT (ARM 17.8.715) and reasonable precautions limits (ARM 17.8.308). All previously listed emission limits have been established through preconstruction Permit #1554-13.

B. Monitoring Requirements

ARM 17.8.1212(1) requires that all monitoring and analysis procedures or test methods, required under applicable requirements, be contained in operating permits. In addition, when the applicable requirement does not require periodic testing or monitoring, periodic monitoring must be prescribed that is sufficient to yield reliable data from the relevant time period that is representative of the source's compliance with the permit.

The requirements for testing, monitoring, recordkeeping, reporting, and compliance certification sufficient to assure compliance does not require the permit to impose the same level of rigor for all emission units. Furthermore, it does not require extensive testing or monitoring to assure compliance with the applicable requirements for emission units that do not have significant potential to violate emission limitations or other requirements under normal operating conditions. When compliance with the underlying applicable requirement for an insignificant emission unit is not threatened by lack of regular monitoring and when periodic testing or monitoring is not otherwise required by the applicable requirement, the status quo (i.e., no monitoring) will meet the requirements of ARM 17.8.1212(1). Therefore, the permit does not include monitoring for insignificant emission units.

The permit includes periodic monitoring or recordkeeping for each applicable requirement. The information obtained from the monitoring and recordkeeping will be used by the permittee to periodically certify compliance with the emission limits and standards. However, the Department may request additional testing to determine compliance with the emission limits and standards.

C. Test Methods and Procedures

The operating permit may not require testing for all sources if routine monitoring is used to determine compliance, but the Department has the authority to require testing if deemed necessary to determine compliance with an emission limit or standard. In addition, the permittee may elect to voluntarily conduct compliance testing to confirm its compliance status.

D. Recordkeeping Requirements

The permittee is required to keep all records listed in the operating permit as a permanent business record for at least 5 years following the date of the generation of the record.

E. Reporting Requirements

Reporting requirements are included in the permit for each emission unit and Section V, "General Conditions," of the operating permit explains the reporting requirements. However, the permittee is required to submit semi-annual and annual monitoring reports to the Department and to annually certify compliance with the applicable requirements contained in the permit. The reports must include a list of all emission limit and monitoring deviations, the reason for any deviation, and the corrective action taken as a result of any deviation.

Graymont is responsible for the timely submission of detailed information regarding fugitive dust emissions from haul roads and other quarry sources as described in preconstruction Permit #1554-13.

F. Public Notice

The current permit action is an administrative amendment to Graymont's operating permit and does not require public notice.

SECTION IV. NON-APPLICABLE REQUIREMENT ANALYSIS

Pursuant to ARM 17.8.1221, Graymont requested a permit shield for all non-applicable regulatory requirements and regulatory orders identified in Table 8-1 of the permit application.

The following table outlines those requirements that Graymont had identified as non-applicable in the permit application but, after Department review, will not be included in the operating permit as non-applicable. The table includes both the applicable requirement and reason that the Department did not identify this requirement as non-applicable.

Rule Citation	Reason
40 CFR Part 50.1 through 50.6, 50.8 and 50.9, 50.11 and 50.12 40 CFR Part 51.100 through 51.105, 51.110 through 51.120, 51.153 through 51.159, 51.160 through 51.166 40 CFR 51 Subpart J through Subpart W 40 CFR 51 Appendix L and Appendix M 40 CFR 51 Appendix P 40 CFR 51 Appendix S 40 CFR 51 Appendix V and Appendix W 40 CFR 54 40 CFR 56 40 CFR 63 Subpart A and Subpart B 40 CFR 68 ARM 17.8.510 ARM 17.8.808 ARM 17.8.1210 through 17.8.1215, 17.8.1222, 17.8.1223, 17.8.1225, 17.8.1228, 17.8.1231	Although these rules contain requirements for the regulatory authorities and not major sources, these rules can be used as authority to impose specific requirements on a major source.
40 CFR 70 40 CFR 71 40 CFR 72 40 CFR 73 40 CFR 74 40 CFR 75 40 CFR 76 40 CFR 77 40 CFR 78 40 CFR 81	These rules do not have specific requirements and may or may not be relevant to a major source and should never be listed in the applicable or non-applicable requirements.
40 CFR Part 52.01 through 52.21, 52.23 and 52.24, 52.26 through 52.33 40 CFR 52 Appendix D and Appendix E 40 CFR 52 Subpart B through Subpart FFF 40 CFR 62	These rules do not have specific requirements and are always relevant to a major source and should never be listed in the applicable or non-applicable requirements.
40 CFR 55 40 CFR 61 Subpart M 40 CFR 63 Subpart C through Subpart E 40 CFR 66 40 CFR 67 40 CFR 69 40 CFR 79 and 40 CFR 80 40 CFR 85 through 40 CFR 91 40 CFR 93 40 CFR 95 ARM 17.8.120, 17.8.121, 17.8.131, 17.8.140, 17.8.142, ARM 17.8.341 ARM 17.8.403 ARM 17.8.504, 17.8.511, 17.8.514, 17.8.515 ARM 17.8.605, 17.8.611, 17.8.612 through 17.8.615 ARM 17.8.806, 17.8.807, 17.8.818 through 17.8.828 ARM 17.8.905, 17.8.906 ARM 17.8.1224, 17.8.1226, 17.8.1227	These rules are procedural and have specific requirements that may become relevant to a major source during the permit span.

ARM 17.8.205 ARM 17.8.304, 17.8.309, 17.8.310, 17.8.326, 17.8.341, 17.8.342	These rules are applicable to the source and may contain specific requirements for compliance.
40 CFR Part 60.1 through 60.6, 60.9 and 60.10, 60.14 through 60.19 40 CFR 60 Appendix A, Appendix C and Appendix D 40 CFR 60 Appendix F and Appendix G 40 CFR 60 Appendix I 40 CFR 61 Subpart A ARM 17.8.101 through ARM 17.8.103 ARM 17.8.201 and 17.8.202, ARM 17.8.301, 17.8.302 ARM 17.8.401, ARM 17.8.501 ARM 17.8.601, 17.8.602 ARM 17.8.701 ARM 17.8.801, 17.8.802 ARM 17.8.901, 17.8.902, 17.8.904 ARM 17.8.1001 ARM 17.8.1101 ARM 17.8.1201, 17.8.1202, 17.8.1234 ARM 17.8.1301	These rules consist of either a statement of purpose, applicability statement, regulatory definitions or a statement of incorporation by reference. These types of rules do not have specific requirements associated with them.
40 CFR 50.7 and 50.10 40 CFR 51.01 through 51.99 40 CFR 51.106 through 51.109 40 CFR 51.121 through 51.149 40 CFR 51.153 through 51.159 40 CFR 51 Appendix A through Appendix K 40 CFR 51 Appendix N and Appendix O 40 CFR 51 Appendix Q and Appendix R 40 CFR 51 Appendix T and Appendix U 40 CFR 52.25 40 CFR 52 Appendix A through Appendix C 40 CFR 60 Subpart Ca 40 CFR 60 Subpart FF 40 CFR 60 Subpart JJ 40 CFR 60 Subpart OO 40 CFR 60 Subpart YY and Subpart ZZ 40 CFR 60 Subpart CCC 40 CFR 60 Subpart EEE 40 CFR 60 Subpart MMM 40 CFR 60 Appendix E 40 CFR 60 Appendix H 40 CFR 61 Subpart G 40 CFR 61 Subpart S 40 CFR 61 Subpart U 40 CFR 61 Subpart X 40 CFR 61 Subpart Z 40 CFR 61 Subpart AA 40 CFR 61 Subpart CC 40 CFR 61 Subpart EE 40 CFR 63 Subpart J and Subpart K 40 CFR 63 Subpart P 40 CFR 63 Subpart S 40 CFR 63 Subpart V 40 CFR 63 Subpart Z through Subpart BB 40 CFR 63 Subpart FF 40 CFR 63 Subpart HH 40 CFR 63 Subpart LL through Subpart NN 40 CFR 63 Subpart UU 40 CFR 63 Subpart WW through Subpart III 40 CFR 64 40 CFR 65 40 CFR 83 40 CFR 84	These rules have been reserved and/or do not currently exist.

40 CFR 92 40 CFR 94 ARM 17.8.104, ARM 17.8.107 through ARM 17.8.109, ARM 17.8.112 through ARM 17.8.119, ARM 17.8.122 through ARM 17.8.129, ARM 17.8.132 through ARM 17.8.139, ARM 17.8.203, ARM 17.8.207 through ARM 17.8.209, ARM 17.8.215 through ARM 17.8.219, ARM 17.8.224 through ARM 17.8.229, ARM 17.8.303, ARM 17.8.305 through ARM 17.8.307, ARM 17.8.311 through ARM 17.8.314, ARM 17.8.317 through ARM 17.8.319, ARM 17.8.327 through ARM 17.8.329, ARM 17.8.335 through ARM 17.8.339 ARM 17.8.502, ARM 17.8.503, ARM 17.9.506 through ARM 17.8.509, ARM 17.8.512, ARM 17.8.513, ARM 17.8.603, ARM 17.8.607 through ARM 17.8.609, ARM 17.8.803, ARM 17.8.810 through ARM 17.8.817, ARM 17.8.903 ARM 17.8.1208, ARM 17.8.1209, ARM 17.8.1216 through ARM 17.8.1219, ARM 17.8.1229, ARM 17.8.1230	These rules have been reserved and/or do not currently exist.
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SECTION V. FUTURE PERMIT CONSIDERATIONS

A. MACT Standards

As of August 17, 2004, the Department is not aware of any MACT Standards that are applicable to this source. Graymont meets the definition of a lime manufacturing plant under 40 CFR 63, Subpart AAAAA, National Emission Standards for Hazardous Air Pollutants for Lime Manufacturing Plants; however, Graymont conducted an analysis of HAP emissions in the Title V permit application submitted to the Department on June 29, 1995, and determined that Graymont operations do not result in major HAP emissions. As defined in 40 CFR 63.7081, since Graymont is not a major source of HAPs, Graymont is not subject to the MACT requirements contained in 40 CFR 63, Subpart AAAAA.

B. NESHAP Standards

As of August 17, 2004, the Department is not aware of any NESHAP Standards that are applicable to this source.

Asbestos abatement projects and building demolition/renovation activities will be conducted in accordance with applicable asbestos regulatory requirements. Those regulatory requirements include, but are not limited to 29 CFR 1926.1101; 40 CFR 763 sections 120, 121, 124, and subpart E; 40 CFR part 61 subpart M; State of Montana Asbestos Control Act 75-2-501 through 519 MCA, and State of Montana Occupational Health Rules ARM 17.74.301 through 406. State-accredited asbestos abatement personnel shall conduct the abatement of regulated asbestos-containing materials. Asbestos-containing waste materials shall be transported properly and disposed of in a State-approved landfill.

C. NSPS Standards

The sugar stone screen and associated equipment (EU010) are subject to all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 CFR Part 60, Subpart OOO. The rotary lime kilns #1 and #2 (EU011 and EU012) are subject to all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 CFR Part 60, Subpart HH. Coal, syncoal, and petroleum coke operations (EU022, EU023, and EU024) are subject to all applicable standards and limitations, and the reporting, recordkeeping, and notification requirements contained in 40 CFR Part 60, Subpart Y.

D. Risk Management Plan

As of August 17, 2004, this facility does not exceed the minimum threshold quantities for any regulated substance listed in 40 CFR 68.115 for any facility process. Consequently, this facility is not required to submit a Risk Management Plan.

If a facility has more than a threshold quantity of a regulated substance in a process, the facility must comply with 40 CFR 68 requirements no later than June 21, 1999; 3 years after the date on which a regulated substance is first listed under 40 CFR 68.130; or the date on which a regulated substance is first present in more than a threshold quantity in a process, whichever is later.